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2 November 1979

West Europe Report

(FOUO 59/79)



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WEST EUROPE REPORT

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THEATER NUCLEAR FORCES

INTERNATIONAL AFFAIRS

SALT RATIFICATION, WEST EUROPEAN DEFENSE, VULNERABILITY

Paris L'EXPRESS in French 15-21 Sep 79 pp 122-123

[Article by Raymond Aron: "Will Europe Survive 1984?"]

[Text] Two famous books, one by George Orwell, the other by Amalrik, the Soviet historian, have given the year 1984 a sort of symbolic import. Henry Kissinger, by his speech in Brussels, makes one think especially of Amalrik's title, but applied to Western Europe and no longer to the USSR. Indeed, it is about 1984 that Soviet military power will reach its zenith.

Of Kissinger's long and complex speech, commentators have retained primarily his expression of doubt about the credibility of the American deterrent. This remark was admittedly one likely to impress public opinion. But, in my view, the former secretary of state's autocriticism is just as important and even more convincing than the conclusion, namely that Europeans can no longer count on the "nuclear umbrella." Why did he so ostentatiously denounce a doctrine which he did not initiate but did profess when he exercised governmental authority?

Embittered persons and his adversaries will say it was because he is preparing a new career. I prefer a different interpretation, namely that he is conscious of the mounting perils.

During the past 15 years, the balance of Soviet-American forces has basically shifted in favor of the Soviet Union.

The Americans still currently have a larger number of nuclear warheads than the Soviets: approximately 11,000 to 5,000. On the other hand, the Soviets have superiority in the number of missiles, in throw-weight and megatonnage. But beyond these numerical comparisons, a disparity has arisen on one vital point: the Soviet strategic force will have a mission capability the American force will not have.

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As a matter of fact, in a few years, the 308 Soviet heavy launchers authorized by SALT II, each fitted with three l-megaton warheads, will have the capability, on paper at least, of knocking out most of the 1,054 American land-based Minuteman missiles in their silos. Inasmuch, as the Soviet Union has also retained or increased its superiority in so-called conventional weapons, the simple equality in strategic nuclear weapons means that the United States has an overall inferiority.

In the early 1960's when the United States conceived the so-called flexible response doctrine, it assumed by this doctrine that an aggression employing conventional weapons would be repulsed, as much as possible, solely with conventional weapons. If necessary, Westerners would resort to tactical nuclear weapons, and this escalation would constitute per se the threat of further escalation up to the ultimate level of strategic nuclear weapons.

This doctrine made sense only on the assumption that Westerners retained the choice of weapons, conventional or nuclear. Soviet advances have now refuted that assumption.

Westerners are numerically inferior in central Europe, whether it be in divisions (47 versus 127), tanks (7,000 versus 20,000), or aircraft (4,300 versus 12,350). But, above all, the Soviets have the mobile intermediate-range SS-20 missile armed with three nuclear warheads as accurate as American warheads, and the Backfire bomber which the Soviets have promised not to employ against the United States.

Neither the SS-18 missile nor the SS-20 missile is designed exclusively to deter aggression. The SS-18's can destroy the sole land-based missiles in the American arsenal suitable for counterforce action (capable of destroying enemy launchers). The SS-20's can destroy NATO tactical nuclear weapon storage sites, airfields, and command and control centers in Europe. In 3 to 4 years from now, the SS-20's and Backfires will be capable of crippling the NATO defense system in one fell swoop. And what would the response of the United States be?

With its thousands of nuclear warheads, the United States could, of course, crush most Soviet cities: American cities would suffer a similar fate.

How did the Americans allow things to come to such a pass? The blame falls, in part at least, on the arms control theory. This theory was aimed at reducing the risk of nuclear war to a minimum and at most economically insuring the balance between the nuclear forces of the two superpowers. Limited to strategic weapons, this theory inevitably weakened the American deterrent. If one establishes as one's goal the creation of a situation in which only a madman would unleash these kinds of weapons, what then is left of nuclear deterrence?

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It was argued that under conditions of Mutual Assured Destruction (MAD), the nuclear peril would disappear: because each of the two superpowers is unable to eliminate the other's nuclear weapons, neither one of them unless insane, would employ these weapons. This reasoning was even carried to the point of viewing as baneful any counterforce—i.e. antimissile defense—capability. The more the two countries, their people and their cities, are vulnerable, the more mutual destruction is assured and nuclear war is unthinkable.

This theory required, first of all, that the nuclear forces of the two superpowers be equally invulnerable, but such is or will not be the case in 1984. It also required relative equality within external theaters of operation, particularly in Europe. All American experts had explained that the United States not only had to deter the possible aggressor from attacking its own territory but also deter him from any action against its vital interests, against Western Europe, for example. Little by little, the leaders in Washington forgot what they had learned or taught. They allowed the Soviets to gain a strategic counterforce capability greater than theirs, and at the same time, conventional and nuclear weapons superiority in Europe.

Ratification or nonratification of SALT II will not appreciably alter the basic elements of this problem. The "decoupling" of the European theater from the central system—in other words, a decline in the deterrent influence of American strategic nuclear weapons in Europe—is due more to occurrences than to the treaty. Nonratification would leave the balance of forces unaltered during the next few years and would not prevent Americans from developing the invulnerable MX weapon system which would perhaps give then a counterforce capability comparable to the one the Soviets will possess in a few years.

From a strictly military standpoint, Europeans have reasons for not wanting ratification: the temporary limitation on the range of cruise missiles based in Europe (a limitation that might well become permanent), the apparent ban on transfer of technology to U. S. allies, the increased separation between Europe and America (the senators will feel reassured the moment the Backfire bomber is reserved for use exclusively in the European theater).

The fetish of detent as such explains the official backing given the Carter administration by NATO statesmen. After all, the latter are reluctant to displease Brezhnev by criticizing SALT II. The deteriorating balance of forces is producing visible symptoms of self-Finlandization. Turkey and Norway will agree to the installation on their territory of monitoring stations for verification of the SALT II treaty only after having obtained Moscow's consent.

The pseudodebate triggered by the interviews given by General Buis and Alexandre Sanguinetti is mere "grandstanding" and does not concern the responsible parties. The Germans would not dream of exchanging American protection, in which they only partly believe, for French protection or a Franco-German coalition, in which they do not believe at all, and which would compromise their relations with Moscow.

The only serious question has to do with NATO's response to the SS-20. Against these missiles that would cripple the NATO system in a single blow, must NATO makeshift with the 7,000 tactical nuclear weapons stored in American custody—most of which have insufficient range to strike Soviet territory—or missile—carrying submarines under NATO command?

Americans would like to restore the balance by stationing medium-range missiles in Europe, the Pershing 2, for example. The Germans do not want to be the only ones to "provoke" the Soviets by rearming. Moreover, those German cabinet ministers who do favor such rearming are fearful of public unrest. Only the French seem convinced that possessing nuclear weapons is not likely to draw fire instead of deterring it.

No matter what the military situation may be in the course of the next few years, a direct and massive attack on Western Europe remains improbable. The surgical operation, the elimination of some 200 to 300 key points in the NATO defense system by SS-20 warheads whose accuracy would limit so-called collateral damage to a minimum, such an eventuality resembles idealistic plans devised by military staffs and headquarters. How many of these missiles would not follow their assigned trajectory? Thus how many would go astray over cities? This bluff is hardly in keeping with the traditional behavior of the bolsheviks.

What is much more to be feared is that Europeans, conscious of their weakness, incapable of getting people to realize the danger, may submit little by little to the will of the strongest, "awarding the leaders of the empire their certificates of good conduct and pacifism," as evidenced, probably, by the part Soviet military personnel are playing in quelling revolts against the communist government in Afghanistan, and in the Ethiopian government's war against the Eritreans. And there are many more such examples.

There was a time when statesmen looked at the map of the world much beyond the small promontory of Asia.

Since 1973, the European economy has been hard hit by a combination of inflation and sagging growth. Each country is adjusting more or less poorly to higher oil and natural gas prices, to the stagnation or decline in purchasing power. Nevertheless, the majority of Europeans have continued to live as before, in the manner of rich countries, with millions of automobiles in cities and on superhighways. Even the Iranian revolution did not excite public opinion for long.

In France, we pillory the prime minister, as if, under a different economic policy, strong growth would enable us to avoid the—so weak—austerity cure.

What would be unexpected would be a prolongation of the slump without a striking aggravation thereof. Our economies in Europe, ours more than the others, are dependent upon oil from the Near East and Middle East. Assuming the best, we shall obtain the necessary amount of oil, but at a price pegged to the price of exports to OPEC countries. Evading the issue by taking the offensive, in other words, economic growth at all costs with an increased deficit and mounting inflation would enslave us more and more to our suppliers and strip us of what remains of our real independence (I do not refer to legal or rhetorical independence which is immaculate by definition.).

The other scenario would be a second Iran, disturbances in the Persian Gulf countries which would cause an oil shortage, unpredictable price increases, and perhaps confrontations between the superpowers. The Soviet Union's military predominance would not display itself in such a risky aggression as an attack in Europe. It will have an influence on the development of all diplomatic and economic crises that arise at any point on the globe. In the event of a revolution and an anti-Western, more or less pro-Soviet government in Saudi Arabia, will the United States have the means, the resolve to intervene?

If, as intelligence agencies in Washington claim, oil production in the Soviet Union is expected to no longer meet the socialist community's needs by the early 1980's, the battle for the Persian Gulf states will represent a vital stake for the two blocs. A second defeat comparable to the one suffered by the West in Iran would be like a coup de grace. Deprived of fuel and its machines, Europe would not die but would have to change its way of life radically, and perhaps its form of government too.

The Egyptian-Israeli treaty, Begin's intransigence on the status of the West Bank, and the small war in southern Lebanon constitute parts of a puzzle. Even if Americans and Europeans knew what to do to impose a comprehensive settlement, the instability of the Persian Gulf states would persist. Before the withdrawal "from east of the Gulf of Suez," a few thousand British soldiers influenced world history more, and at less cost, than a few thermonuclear bombs.

To survive in freedom after 1984, Europe must first take cognizance of the American decline and its own condition, its military weakness and economic vulnerability. In the 1930's, the threat was real close, it was obvious, and yet it was unrecognized. Today, the threat is scattered, aleatory, and unpredictable. All the states from the Gulf of Suez to Pakistan are stirred up by revolutionary movements, some of religious inspiration, others of Marxist ideology.

The Soviets are closer to that area than the United States. They do not hesitate to send military advisers or Cuban soldiers into the area. To bring Western Europe under their protectorate, cutting off Europe's oil supply would be less expensive than warheads for the SS-20's.

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As for France, it currently relies on its submarines carrying missiles usable exclusively against cities, as it once relied in the past on the Maginot Line.

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COUNTRY SECTION

FRANCE

AERIAL RECONNAISSANCE, INTELLIGENCE EXPLOITATION VIEWED

Paris ARMEES D'AUJOURD'HUI in French Sep 79 pp 46-47, 73

[Article by Lt Col Jean-Francois Pidancet]

[Text] The administration of a defense policy demands that those who are in charge of it know their enemies. Also, intelligence has always been an imperative necessity and the prime concern of military authorities based on which the latter have to make strategic choices or decide on tactical maneuvers. Data gathering by aircraft is one of the intelligence components. Its importance is highlighted in all the rules pertaining to combat aircraft which includes it among their crews' regular missions.

Thus broadly interpreted, aerial intelligence would seem to be self-contained. It would, however, be based on chance observations which are the secondary conditions for missions aiming at other objectives. Intelligence would lose the essential elements of those qualities which constitute their value: priority, urgency, permanence and profitability.

Intelligence priority means that the one seeking it gives it first place in the day's business. Urgency implies an organization without any break in the chain which, from raw observation, extracts fully developed data. Permanence in intelligence calls for continuity in research both in time of peace and in time of emergency, night and day, in all kinds of weather. Lastly, profitability demands a persistent, well-directed investigation, the establishing of priorities, coordination of the various sources and a reasonable exploitation of the results acquired.

These qualities enjoin a carefully considered concept and a scrupulous performance of every intelligence mission. Nothing can be left to chance. It is, therefore, a matter of highly creative tasks entrusted to specialists who employ the proper methods.

Aerial reconnaissance is in the process of formation. It is merging its sources with those of aeronautics. And so, Jordan challenged the Austrians at Fleuris thanks to the first military balloon observations. Then came the airplane. Its militarization sought to answer the need for long-range

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observation which every army in the field encounters. Reconnaissance aircraft properly so called therefore came into existence with World War I aircraft flights. There it acquired a reputation for efficiency and abnegation and its first claim to glory. Today, within the FATAC [Tactical Air Force], the 33d ER [expansion unknown] is assuming the heritage. It is responsible for research, for gathering data, for the processing and circulation of aerial intelligence.

Research and Gathering of Intelligance

The gathering and search for intelligence are the responsibility of the pilots, the mechanics, the airplanes and their pickups. First of all, the pilots wage war alone solely over enemy territory; in fact, "they have to look for the enemy" but under an obligation to survive, for recovery of the intelligence is the sole objective assigned to them. Their planes, which are equipped for maximum efficiency in gathering data, and consequently poorly armed, make dodging rather than combat their bounden duty. Moreover, as solitary spotters, we will have to believe them and place our trust in their personal perceptions of the situations encountered: the association of the human eye and brain is still one of the most highly developed reconnaissance systems. For that very reason, judgment, memory, the ability to synthesize, military technical and aeronautic training are indispensable. Over and above his aeronautical subjects, the reconnaissance pilot has to undergo training as a "professional in intelligence."

Then we need mechanics. For if the pilots are answerable for quality, the mechanics are, to a certain extent, responsible for the quantity of intelligence by seeing to the continued availability of airplanes and pickups at the highest possible level.

The present airplanes are the Mirage III R and the III RD. As the latter are equipped with a self-contained flying system, they are earmarked for all weathers whereas the former, much simpler, carry out intelligence missions in fair weather. Both are equipped with pickups which convert radiations into a wide range of electronic waves moving from visible frequencies to those of radar. The visible frequency is picked up by the Omera 30 and 60 cameras. A well-established tradition places them among "cameras" although their picture-taking speeds are by no means cinematographic. These cameras are equipped with some devices which counterbalance the speed of planes and controls the stop time according to brightness. Furthermore, various focalizing optics covering between 44 and 600 mm can be mounted according to the type of objective to be dealt with. Several cameras can be combined according to type and flying altitudes. However, skyline to skyline coverage of the extremely interesting zone overflown within an operational context calls for a battery of four cameras of these types. This is also now more frequently performed by a single panoramic Omera 40 revolving prism camera. The quality of the negatives, particularly at the distortion level, is definitely not so good as that produced by conventional machines. But it is adequate for military activities. Furthermore, another advantage of no

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little importance in combat, it takes up little space and, as it produces a single film, it speeds up subsequent exploitation operation.

Optical cameras quickly reach their limits in bad visibllity or in poor lighting, even though assisted by such devices as pyrotechnic flashes. They have also tried to pick up other radiations such as infrared emissions. The detector Cyclops answers this need. By underscoring the hot points, it produces a thermographic image of the region flown over. This equipment, highly advantageous for detecting activities, even when camouflaged, finds its achievements stunted as soon as the atmosphere becomes cloudy. It has to be complemented by a truly all-weather machine such as lateral scanning radar. The information is however less accurate and less abundant but, in comparison with appropriated electronic operations, it gives well-informed personnel a good estimate of the total situation.

Data gathered by all these pickups for exploitation purposes are put on standardized negative photographic films, either directly by cameras, or on following intermediate processing in the case of Cyclops or radar.

Processing and Circulation of Intelligence

For the technical part, these tasks belong to the professional photographer and for the operational aspect, to the interpreters. They set to work respectively on the film development equipment and the manual or automatized interpretation tools.

Film development is standardized even if it takes place continuously without human assistance from the first step in developing the exposed film to the production of the negative.

On the other hand, the multiplication of the pickups is increasing the number of documents brought back from the same session, as the pickups are not mutually exclusive but on the contrary in most instances are complementary to one another. Thus, out of a batch of developed films for an ordinary intelligence mission with a Mirage III RD, for example, will be found: one or several films corresponding to standard cameras (in other words, 5 to 50 plates by pinpoint targets, sometimes more); a thermographic film; and a radar film.

Furthermore, these films will have with them two magnetic tapes, one storing the pilot's oral comments and the other recording his plane's flight parameters. The task of the interpreters who process this mass of documents to learn some interesting piece of intelligence from them in such a case becomes a very hard one. As a "reconnaissance occupation" there is obviously a lack of balance between the technical analysis of data collected by the pickups (film development, printing the plates...) which can be automated, and the operational processing which demands an analytic-synthetic intellectual gymnastic exercise which falls primarily on men.

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To respond to the demands for intelligence, the work had to be made less arduous. To do this, an automatic data processing system was developed: the PATRICIA (automatic system for processing camera infrared and lateral aerial radar data).

This system is articulated with the Sintra computer and its satellites: selection and interpretation consoles.

The processing of an intelligence mission assisted by this system includes three stages: a preparation stage; a selection stage; and an interpretation stage.

During the preparation stage, the camera films and radar are developed in appended equipment, Augereau 160, congruent with the PATRICIA. The infrared observations are likewise transferred on to films and follow the same circuit. These films are then committed to the selection console.

During this second stage, the operator controls the simultaneous running off of the films dealing with the same subject. They are automatically synchronized with the photographic coordinates: the flight path is represented by displacement on a map, its position made visible by a cross on a screen. The negatives considered interesting are marked, cut and sent to the interpretation console.

Thanks to the computer, the interpretating officer is making good use of the possibilities that speed up his work:

the automatic localization of the target on a large-scale chart (1/50,000);

prompt access to a library with targets on microfilms (this makes a comparison possible during successive missions);

the direct reading of measures: calculations on photograph, transformations of coordinates.

The interpretation report is typed up as it is worked out. It is simultaneously transcribed in the high-speed printer and in perforated tape form directly transferable to the army transcommunication networks.

Aerial Reconnaissance and Intelligence Exploitation

A mission is completely analyzed and the intelligence at the general staff's disposal, within a matter of between 20 and 30 minutes after the landing of the aircraft that took care of it. The PATRICIA equipment therefore affords the authority requesting the data an assurance of comprehensiveness and speed which previous manual methods were unable to accomplish. The latter, within an operational context involving numerous flights, entail delays amounting to between 50 minutes and 2 hours.

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The Reconnaissance Role in the Tactical Air Force

Within the FATAC, the 33d squadron assumes the primary responsibility for the reconnaissance operation; however, it is not alone. During operations over the Central European theater, is is unable to carry out all the necessary missions. Moreover, recent overseas events have shown the need, for planes and crews of the mobile forces, to be able to carry out observation and reconnaissance missions within the framework of ongoing missions. This explains why a significant percentage of the aerial activity of three out of four squadrons of the 11th fighter fleet are assigned to carrying out these missions.

These squadrons are equipped with Jaguar planes fitted up with OMER 40 cameras which give them daylight reconnaissance ability through good meteorological conditions. As for the crews, they undergo the same special training as that of the 33d fleet pilots.

Overseas operations clearly showed, when it was necessary, the operational value of Jaguars and of their crews, not only in tactical support missions but also in research and in the acquisition of information.

The FATAC, therefore, has at its disposal a high potential of pilots and reconnaissance planes which enable it to answer under excellent conditions to needs both in intelligence and in the Central European overseas theater.

There is no question here of coming to an end on the subject of reconnaissance aviation. Its importance and need guarantee its perpetuity. It would be much better to look into its future which is being charted at the same time as the air force equipment plans. The appearance in the near future of the Mirage FI reconnaissance version will strengthen the 33d squadron reconnaissance capacity by ever broadening the flight area and improving the mission's accuracy. The recourse to new low-level television pickups, infrared imagery, implementing the transmission of data will all intensify the quality of the information and its production speed.

Lt Col Jean-Francois Pidancet belongs to the Ecole de l'air 1960 graduation class. Licensed as a fighter pilot in 1964, he began his career on the 13th fighter fleet Colmar. Flight commander on the 13th fighter fleet then commander on the Champagne squadron-213 at Nancy-Ochey, he is now in command of the 33d reconnaissance fleet at Strasbourg-Entzheim.

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COUNTRY SECTION

FRANCE

LOW-ALTITUDE ALL-WEATHER PENETRATION DISCUSSED

Paris ARMEES D'AUJOURD'HUI in French Sep 79 pp 48-49

[Article by Lt Col Yves Aubert]

[Text] "Low-weather altitude all-weather penetration" is one of those esoteric terms in current use in combat flying. What does it mean? It means both a mission and a method which consists of going into the depths of enemy territory to rescue some equipment—a nuclear or conventional bomb, rockets—and this in all weathers, both day and night, by flying as near as possible to the ground, in order to thwart the enemy defenses. Carried out in a hostile environment owing to antiaerial defense concentrations—and particularly ground—air missiles, it is a very close mission which demands of the crews not only exactness and skill but also calm and composure.

The 4th fighter fleet, based in Luxeuil, whose main mission is nuclear attack, is intensively engaged in all-weather low-altitude penetration. Its two squadrons are equipped with 15 Mirage III E single-engine, single-seater aircraft also capable of carrying nuclear weapon AN 52, which is one of the conventional weapons. The Mirage III E is equipped with radar on board and a computer which enables it to carry out its mission accurately in all kinds of weather. It also calls for a stringent system and a highly specialized training in order that the pilot, alone on baard, may be able to carry out his mission in all security.

Blind Flying and Radar Navigation

The customary navigation technique consists in comparing what is written on a chart with the "countryside" which is seen from the plane. From this comparison, a possible correction follows which is necessary in order to keep on the planned course.

When the plane in maneuvering in the clouds, visibility is nil. The pilot has first and last at his disposal, as far as the countryside is concerned, the picture which his radar screen is giving him, a very special picture made up of ground echoes. A picture such as this bears no resemblance whatsoever to the representation on the usual geographic map. It is made

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up of more or less contrasted black and white spots, in fluctuating shapes. To interpret what he sees on the screen, and from it accurately deduce his position, the pilot has a good radar map for the envisaged route. This map--called radar forecast--can be drafted in two ways. The first, the analogic method, consists in reconnoitering at an angle suitable for relief models of the area to be flown over while photographing the shadows cast. The second, a more recent one, consists in using a computer to number the terrain, put the results in storage and on request put out a working prediction of the course and altitude envisaged for the flight.

This latter method, of course, has the advantage of making possible an easy transmission and quicker drafting of the radar map.

Moreover, the Mirage III E navigation computer always gives the pilot the course and the distance to reach the desired point. This computer operates on the basis of a gyroscopic station connected to a doppler radar. Thus the pilot has at his disposal two independent "blind" navigation systems: he can then compare to his liking the position indicated by the computer with that he has deduced from the radar image.

In fact, the comparison is not permanent, for there are other operations to be carried out on board and the work load is so great that he is urged to break it up.

Not a Second to Lose

We are on board a Mirage III E maneuvering at over 900 km/h in the clouds, at $150\ m$ above ground.

"The pilot is trying to identify the blips on his radar screen which correspond with the map held on his lap... There's an identified point. The comparison between what he sees on his screen and the position indicated by his computer is quickly made. It is now important to get back on the right course, after correcting the shift pointed out by the dpppler radar. The navigation's first turning point is at 10 nautical miles from the present position; the chronometer must be released... already at 8 nautical miles, the flight profile advises rising 30 m, the "stabilization of altitude" (1) is disconnected, the plane is rapidly reaching the desired altitude... 5 nautical miles, it is necessary to double the time passed since crossing at 10 NM to deduce from it almost to the second the moment of crossing to the vertical position of the point planned in the navigation. Well on course, the radar emission is cut, the next point is shown on the computer program and the navigation indicator points out the course and the distance anticipated in the flight profile ... a glance at the chronometer, signal, the flying aids are disconnected, the sweeping round has begun at a 40 degree angle and the altitude is unchanged...'

Sixty-five seconds have just elapsed, in other words, less time than it takes to read the account of these operations. At the same time, the pilot

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several times had to read other instruments necessary for the flight at a (1) System enabling the plane to maintain its constant altitude automatically, at a very precise rhythm for which he was schooled from the very beginning of his training. He also had to simulate putting his weaponry to work.

As some of these operations were simultaneous, the pilot used the five fingers of his hand to work the branch circuits without neglecting the controls. How does one acquire a soundness [of judgment] such as this in executing procedures and for such flying accuracy?

Pilot Training: Intensive and Regular Practice

The pilot who joins the fleet has already had aeronautic experience of about 400 flying hours. He received his diploma 6 months previously and has completed a transitional stage on the two-seater version of his future armed plane.

At first, he is "broken-in" on the one-seater which he learns to pilot in the majority of flying stages: take-off, landing, stunt flying, blind flying, close maneuver, patrol duty. Then he begins his apprenticeship in the "weapon system," in other words, in everything that contributed to using weaponry on target: computer radar, navigation system, sighting piece, weaponry. The procedures are repeated for a long time as a simulated ground experience. The latter is introduced in the form of two huge trailer trucks, containing a Mirage III E cockpit exactly like that found in a real plane, a monitoring control console, and an installation which makes it possible to plot on the radar screen all the elements of a real navigation, over several possible routes. The simulator thus reproduces not only the feedback of the plane in flight but also the latter's navigation as if it had been carried out, in the clouds and near ground. Training in the flight simulator is continuous. Throughout his whole career in the unit, the pilot will repeat his missions over and over again--and will improve his methods in it. But for the young pilot, the simulator is not enough. He has to go through a training stage at the Radar Prediction and Instruction Center (CPIR) also located on the Luxeiul base. This unit has at its disposal for mission instruction two modified Mystere XX equipped with the entire Mirage III E weapon system (navigation radar, doppler radar, gyroscopic station, computer). The right side of the cockpit is the counterpart of that of the Mirage, including controls, while a Mystere XX pilot occupies the left side. Between the two is the instructor who in this way can easily advise and criticize the trainee. This "flight simulator" also makes it possible to save precious flying hours for weapon planes and to reduce training time.

The training period concluded, the pilot is pronounced qualified to use radar when on a "penetration mission."

His advancement is not yet all over for all this, for he must yet put into practice at even greater speeds the instruction he has received and learn to discharge weaponry.

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The missions are, first of all, carried out aboard under good daylight and then nighttime meterologic conditions to end their performance at night in the clouds. In like manner, the pilot is going to be qualified in combattiring by day and night.

When the pilot knows how to navigate in all weathers, to go along with navigation conditions as estimated on navigation radar, to arrive at the point of the anticipated course with a discrepancy of less than 15 seconds, to disconnect his firing computer and discharge his weaponry with indispensable accuracy, he is pronounced qualified for the penetration mission. This training will have taken several hundred flying hours. The pilot will thereafter retain his efficiency at the cost of a continued and very regular training.

Closer to Reality

In addition to the monthly training programmed at the unit level, several combined exercises are planned for the year at the tactical air-force level in order to carry out the mission within a more realistic framework. Some of these exercises involve the almost simultaneous operation of more than 100 fighter and reconnaissance planes. Also worth mentioning is the "Centaur" shooting match in which the FATAC nuclear qualified fleet compete annually, night and day, during penetration and bombardment on distances of over 600 kilometers. This training exercise obliges the fleet pilots to carry out almost three fourths of their flights at low altitude.

Training such as this is not without its problems within the framework of peacetime when the importance of restraint is great because of security and aeronautic environment regulations.

As a matter of fact, since it is a question of materials and in view of the fact that nuclear weapons never fly, planes are equipped with fake bombs whose weight, aerodynamics and electronic circuits are the very same as those in real weapons. Moreover, this container-truck is hollow in order to hold an inactive bomb whose ballistics correspond identically to the weapon's. This means that on the pilot's part, every operation without exception is carried out, including decoding and dropping [the bomb]. Moreover, since every mission ends with an interchange of shooting but does not necessarily include any real bomb dropping, there is a camera on board which films the aimer during the shooting sequence. The developed film makes it possible later on to reconstruct the accelerations, maneuvers and chronology.

Regarding the training areas, although the problem is relatively easy to solve when the weather is fine, the same does not hold for bad weather.

Under good meteorological conditions, the rule followed is the navigation of two planes, one pilot navigating by radar, the other controlling the track at sight and scanning the sky. However, the flying altitude is never lower than 150 meters to avoid any harmful effects and systematically

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steer clear of any important towns and villages. Sky scanning is also an important factor, for approaching speeds between planes can reach 450 meters per second.

In bad weather and also at night, missions are carried out on reserved routes, which are in fact long 10-KM wide corridors. These latter are located in France. Some of them terminate on firing ranges.

Finally, we must not forget that to accomplish these missions, the reliability of the systems and the meticulous adjustment of equipment are most important. This is why it is advisable for the pilot to associate with the mechanics whose superior technical skill and arduous work make possible the achievement of the above-described feats.

And so, thanks to technical achievements, thanks to intensive training, penetration at low altitude has been possible for a long time. It enables combat flying to strengthen the idea of permanence linked with the concept of dissuasion, which is at the basis of our defense policy.

Lt Col Yves Aubert entered L'Ecole de l'air in 1959. Estienne honor student. After receiving his fighter pilot license, he served for 12 years in the aerial defense units flying in a Super Mystere 132, Mirage III, Vautour and Murage FI. From 1972-74, he was commander of the squadron Lorraine. After spending 2 years at the air force general inspectorate, he was assigned to the 4th fighter fleet where he has been in command since 1977.

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COUNTRY SECTION

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FRANCE

BRIEFS

FOREIGN OFFICE WORRIES--The Quai d'Orsay [French Foreign Office] is troubled by two worries: the growth of a Moslem extremist movement in Senegal demanding [President] Senghor's departure, and the visit in Libya by Saudi Arabia's King Khalid. [Text] [Paris PARIS MATCH in French 12 Oct 79 p 78]

PCF CONCLUSION NOTED—The PCF has reached the conclusion that the new socialist [i.e., PSF] program is an anti-Joint Program program, even an anticommunist strategy program, according to [Robert] Ballanger, president of the communist group in the National Assembly. [Text] [Paris PARIS MATCH in French 19 Oct 79 p 51]

RECORD ARMS EXPORTS—This year's arms exports by France have broken all records: 350 billion francs worth. In 10 years, sales have progressed twice as rapidly as all other foreign trade. [Text] [Paris PARIS MATCH in French 19 Oct 79 p 51]

GOVERNMENT'S PETROLEUM WORRIES--The French Government is becoming more and more uneasy about the transfer of oil to the "spot" market, oil which until now had been sold under long-term contracts. If this trend continues, Paris says, we cannot be sure of our oil supply more than 3 months in advance. Text Paris LA LETTRE DE L'EXPANSION in French 8 Oct 79 p 57

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COUNTRY SECTION

ITALY

PROBLEMS WITHIN THE INTERNAL SECURITY FORCES CITED

Milan L'EUROPEO in Italian 13 Sep 79 pp 10-11

[Article: "Dalla Chiesa Has Written Us Two Letters..."]

 $[{\sf Text}]$ "You will see. We are going to have to treat this as a military security matter."

"But why?"

"The situation is delicate, and we cannot cast all our seed to the winds this time. During the Moro kidnaping, the SISMI [Intelligence Service for Military Security] had started some operations that are still under way. We must protect the structure of our security services."

The person talking to us is one of the key men at the top echelon of our delicate counterespionnage mechanism, who prefers to remain anonymous for the moment. Perhaps he will exuse us if we simply call him 00X.

His concern is real. The renovated security services, which have only been really operative a short time, could in fact find themselves in the middle of another windstorm that could disrupt all the work done until now. "It is a problem of mutual faith between the services and parliament that must be resolved in the best manner for all." The start was not auspicious. The government's first informative report to the appropriate parliamentary oversight commission covered the period May-November 1978 and was smothered under a heap of criticism. The members of parliament went so far as to draw up a counterreport. Many things have changed since then.

On 10 June, immediately following the elections Andreotti forwarded the second report (November 1978-May 1979), which has however not yet been discussed. This fall, there will thus be a veritable outburst of activity: first, this discussion, then the commission of inquiry in the Moro case, and then the discussion of the third report (to November 1979). The security services intend to invoke the prerogatives available to them under their organic law to avoid overexposure. But will they succeed? There is no dearth of problems. Our OOX enumerates them: "Faults in the law, incomplete staffing, new methodologies to be assimilated, General Dalla Chiesa..."
"Do you mean Dalla Chiesa is a problem?"

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"Certainly, our general is above all criticism. He took the brunt of things in our most difficult moment. He hung in there when as yet nothing existed but disorganization. He saved the state's credibility." And now? The issue seems clear despite OOX's reticence. The SISDE [Intelligence Service for Democratic Security] is passing its first tests with honors. If it continues that way, General Dalla Chiesa will become a useless duplication, even somewhat of a hindrance. "He is perfectly aware of this. He has already sent two letters—one to the minister of interior and one to the Armed Forces General Staff—requesting that his present assignment not be renewed. His ambition is to take command of the Milan Legion, an assignment that will be open in October, and resume his military career."

However, it will not be simple. Between the desire and its consummation there looms the national security image projected by Dalla Chiesa. For better or for worse, he was the catalyzer of the operations that yielded the most results. If the government were to dispense with his servies and then suffer a new terrorist attack, it would be open to grave criticism. Dalla Chiesa himself could become a thorn in its side. What, then, is the solution? "That is appropriate material for Cossiga's proven diplomatic abilities. If he cannot succeed..." Our interlocutor appears somewhat perplexed.

There is also the fact that Dalla Chiesa possesses another merit. The reform law has divested the security services of their former operative functions as judiciary police. The services now gather information, but must then pass it to the Police, or to the Carabinieri, or to the Finance Guard services for action. Inevitably, time is lost in the process, to say nothing of the risk of "leaks," or, even worse, the endangering of confidential sources of information. Dalla Chiesa, on the other hand, is in a position, though leaning heavily on the right military services, to initiate action on his own.

"In reality, what we lack is the Special Branch of the British, the FBI of the Americans: an operative branch that, though modest in size, would link us more closely with the judiciary police function." The problem is not easily addressed. Reforming the law on the security services again could mean opening a Pandora's box of criticism and revisions, with the risk of demolishing all the groundwork that has been done until now. For this reason, Dalla Chiesa is likely to become irremovable.

Nevertheless, some changes will have to be made. "For example, do you know that we learned of the matter between Fiat and Libya only by reading about it in the newspapers after the fact?" OOX was indignant. A self-respecting counterespionnage should keep a sharp eye focused on national revenue matters. "True, there is the Finance Guard, with whom we work very closely. But certain operations sometimes require a penetration abroad, and sometimes a discretion and freedom of movement which other services cannot provide."

They are unable, for example, to obtain from the Italian banks all the information needed to follow the movements of monies linked to kidnapings. But here again, matters become very delicate. Lecause the former SIFAR [Armed

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Forces Intelligence Service] covered the Finance Guard function. It had responsibility for the bureau headed by the much discussed Colonel Rocca, who eneded his career as a mysterious "suicide." And this brings us back to the issue of faith. Why should one put his faith again in the services?

"Let me tell you that things have changed since SIFAR. And how!" asserts OOX. "The new chiefs--Santovito of SISMI and Grassini of SISDE--are a new breed."

After a long wait, SISDE has now finally succeeded in "breaking loose" a sufficient number of men from the Carabinieri, from the Police and from the Finance Guard. It now has available 1,000 persons, but almost 50 percent of them have been incorporated only since March of this year. Though it is still understaffed (full organic staffing is 1,800), it has begun to function and has achieved initial successes. "The arrest of Ventura was our own work in cooperation with SISMI," OOX confided to us. "The arrest of Freda, however, was not; that was done by UCIGOS," that is, the police. But cooperation among these bodies is beginning to function."

This, it is said, is all to the credit of Prefect Pelosi (since he became responsible for coordination, everything has taken on a more professional air): "We have no intention of recreating the separate body of yore, enclosed within the military orb," OOX continued. "We want to open up to the civilian corps; we are in fact already doing it."

The major effort in this respect will begin this fall with a first 8-month "course" for "nonmilitary" candidates. They will be civilians, with college degrees, interested in "intelligence" as a vocation. Sole requisite: They must have completed military service as officers and thus have accumulated a minimum of recorded background. "But this is only a beginning. Starting next year we will also train young men without military experience: a 2-year course, a final examination, then a final decision." Somewhat like the CIA, in sum, which recruits young people through newspaper ads.

The reasons for this opening to the outside are not solely political; major technical considerations are discernible in the design. The services are instituting a vast modernization program to which the military apparatus can no longer respond adequately. "Commissioner Computer," who has served the Germans with such notable success, is about to enter service in Italy.

The sorting and organizing of information is probably the most difficult job in existence. "SISMI finally has a good computer," OOX continued, "Located at Forte Braschi in the headquarters of SISDE for reasons of security, but controlled by us, in which we have now stored over 2,000 detailed biographies."

This means tens and tens of thousands of tiny bits of information, carefully calibrated and above all interrelatable one with the other. The greater the penetration, the more defined becomes the "trail." And this is where collaboration with the "civilians" and the use of specific professional qualifications become invaluable.

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This is not traditional police work. It has to do with evaluating, hypothesizing and sifting out terrorism's inherent cultural, linguistic and semantic connections. The objective? To simulate a crisis, generally one that has already occurred (SISDE is putting together the first scenario: the Moro kidnaping), to study all its variables and dissect it exhaustively for whatever more it can yield by way of further information: in other words, to learn all there is to know about it.

"The picture is now emerging in more detail. If we can succeed in stripping our model of its infinite quantity of spurious data, perh .s we will have a clearer conception of the effective force field being generated by the hard core among the terrorists." This is our OOX's main concern. The operation conducted until now by Padua's magistrate, Calogero, has not convinced everyone: "True, there are the flankers, people who know something, who have perhaps taken part in one thing or another. But there are bound to be the others, the more dangerous ones. There are concentric circles or terrorists. All of them are criminals and all of them are important in their way. Indeed, the outermost of these circles is probably the most politically worrisome one, because it reveals the existence of a vast societal fringe predisposed to violence. But from the operative viewpoint, what must be eliminated is the hard core that serves as its nucleus." OOX has warmed up to his subject and is trying to convince me that the cause is right and that the personnel is suited to the job. But the question is whether he will be able to convince Parliament as well. The major responsibility will not be on the staff officials, no matter how high their echelon, but rather on this government -- a provisional one perhaps, but one full of security experts, from Prime Minister Cossiga himself down to Under Secretary Mazzola. This fall we will know whether we can truly count on this instrument.

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COUNTRY SECTION

ITALY

CONTROVERSY OVER REAPPOINTMENT OF ANTITERRORIST CHIEF

Dalla Chiesa Appointment Confirmed

Milan PANORAMA in Italian 20 Sep 79 pp 47, 48

[Article by Fabrizio Coisson: "That Myth Is To Be Protected"]

[Text] Maneuvers, jealousy, doubts, polemics: Confirmation of the "supergeneral" occurred in a climate of tension. Even Pertini was perplexed. But Cossiga did not want to turn down the man who arrested Curcio.

The letter was published on Wednesday 12 September, and was almost buried in the news columns of VITA, a small Rome newspaper. There were just a few lines in bureaucratic style: "Statements attributed to me regarding reservations I was supposed to have advanced concerning the lack of solidarity, support and encouragement in the performance of my tasks by government authorities are without foundation in fact."

Nobody noticed it. Yet, at the bottom of the letter, there was the signature of one of the most discussed persons of the moment: Carabinieri General Carlo Alberto Dalla Chiesa. He was a point man in the fight against terrorism, the man who had routed the original nucleus of the Red Brigades [RB], arrested Renato Curcio, and created around himself a myth of efficiency and toughness. Four days earlier, on Saturday 8 September, the government had confirmed him "indefinitely" in the job of directing that special antiterrorism nucleus created a year ago especially for him, outside of any existing organization, beyond any control, and reporting directly to the interior minister.

Why now does this powerful and feared person break an almost proverbial silence ("The silence and secrecy characteristic of my behavior accord with the soundest military style," boasted the general) to send a semiclandestine denial to an evening newspaper?

A Secret Visit.

In the answer to this small mystery is one of the keys needed to decipher the maneuvers, the jealousy, the doubts and the polemics which preceded the reconfirmation of Dalla Chiesa in his job. Prime Minister Francesco Cossiga

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referred to the newspaper VITA on an absolutely informal occasion: The visit to Dilla Chiesa's headquarters (four rooms in the barracks at Salario, in Rome) on the morning of Sunday 9 September, the day after the announcement of his reconfirmation. The visit was supposed to remain secret and to represent an act of peace between Dalla Chiesa and the government which was accused of a certain coolness toward the general.

VITA, in the preceding days had maintained loudly that Cossiga no longer wanted Dalla Chiesa as the head of the special antiterrorism unit. Behind the newspaper campaign, directed by an ex-deputy of the Christian Democratic right, Luigi D'Amato, some suspected the hidden urgings of the secret services, or even friends of Dalla Chiesa. Now the general, with that letter, signed the official and public act of truce: No conflict between him and the government. Let us put an end to accusations.

But the peace signed in that unusual way did not eliminate shadows and remainders of polemics. The first to know that the reconfirmation would not be peaceful and taken for granted was Dalla Chiesa himself. The polemics of legal experts on the nature of his "special" position, on the fringes of the law were added to the attacks of the ultra left and of socialist exponents like Giacomo Mancini. Above all, there was an accentuation of conflicts between the hierarchies of the Carabinieri and other police groups, who were irritated by this general who wound up taking all the credit, even when he did not deserve it.

Dalla Chiesa twice asked Interior Minister Virginio Rognoni in writing not to be reconfirmed. The last time was at the height of the government crisis on 25 July. Was this bitterness because he was not sufficently backed up by the government? Or was it really a desire to return to his career, by directing the legion of Carabinieri at Milan in order to later aspire to the maximum rank of vice commanding general of the corps?

Another explanation circulated immediately: By asking to be relieved, Dalla Chiesa exploited the great popularity he had earned (whether rightly or wrongly) as the person who routed the RB in order to obtain confirmation of his role as "supergeneral" of the fight against terrorism. Without publicity, the expiration of the mandate would not have created problems. Instead no government and no party wanted to take the responsibility for "firing Dalla Chiesa."

Relief.

Yet there was no lack of doubt and perplexity concerning the role of "supergeneral" even on the highest level: On that of the Presidency of the Republic. Not that Sandro Pertini did not hold Dalla Chiesa in esteem. But that position—which had not been institutionalized; conferred by ministerial decree; without parliamentary control: outside, if not in open violation of, the new law on security service—never had convinced him. But a friend who visited him at the Quirinale, at the beginning of summer, was the recipient of Pertini's half-serious, half-facetious confidences: "See that door? General Dalla Chiesa could come through it at any moment...No one controls

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him." And a month earlier, the general's initiative to search the houses and offices of various professors of the University of Calabria, Cosenza, had provoked his irate reaction (at that time he called Rognoni to protest: "What sense does it make to put the country to fire and the sword?")

Pertini was therefore very relieved when Cossiga, just named head of the government, informed him of the solution found for the Dalla Chiesa case Neither dismissal, nor renewal of the assignment. The general would be named head of CESIS [Executive Committee for Intelligence and Security Services] the organization for coordination of security services, in place of Prefect Walter Pelosi.

Everyone agreed; everyone was satisfied. His assignment was to expire in a few days (on 10 September). The general unleashed his offensive: He would not take the CESIS job, a bureaucratic assignment, "a kind of retirement." He insisted on command of the Milan Legion, or on reconfirmation with adequate guarantees: Stronger personnel support, better-defined legal situation, explicit support by political forces. CORRIERE DELLA SERA immediately came to his aid. Rumors, leaks, attacks, with VITA in the front ranks, began to circulate concerning the coolness of the government toward the general's reconfirmation.

For Cossiga, the case really began to become too hot. He discreetly consulted the parties. From the PCI came the agreement of Ugo Pecchioli, head of the State Affairs Section, for the reconfirmation of Dalla Chiesa, but without enthusiasm: Even among the communists there were those who had reservations concerning the legality of the position. Bettino Craxi gracefully agreed to publicly express his agreement: He knew Dalla Chiesa for years, had proposed his confirmation in the July consultations when he had been called upon to form a government. Above all, he did not want the PSI [Italian Socialist Party] once more to be dragged into a dispute concerning public order, and perhpas even accused of lassitude. He left a handwritten statement, dated 7 September, before returning to Milan. "If Dalla Chiesa wants reconfirmation, very well. If he wants to take command of the Milan Legion, that is also all right." In brief, that is the official position of the socialists.

Decision.

There was no objection from the other parties. At this point Cossiga decided to speed things up: Dalla Chiesa would be confirmed immediately without even waiting for the expiration date. On the morning of Saturday the 8th, he telephoned the PLI [Italian Liberal Party] and the PSDI [Italian Social Democratic Party] leaders Valerio Zanone and Pietro Longo. Shortly afterward, the press agencies distributed statements by Zanone and Longo favoring reconfirmation. Then Cossiga met with Carabinieri Commanding General Corsini. Half an hour later Dalla Chiesa also arrived at the government offices. His conditions had been accepted: He had obtained public statements of approval from all the parties. Cossiga assured him that with the publication of the decree of nomination always held secret by Giulio Andreotti, his institutional position also would be clarified. Polemics were ended with five lines of an official communique.

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The myth of the supergeneral thus prevailed over all objections. As foreseen, no one wanted to contradict the man who had arrested Curcio: It was better to agree to an "indefinite" reconfirmation. "We will see 6 months from now," are the assurances given at the government offices. "If there is no further regurgitation of terrorism, it will be Dalla Chiesa himself who will ask to be relieved. And this time seriously."

Appointment Arouses Protests

Milan PANORAMA in Italian 20 Sep 79 pp 48,50

[Article by Pino Buongiorno: "General against General"]

[Text] Carabinieri and police no longer wanted Dalla Chiesa. The commander of the forces had even written as much to Rognoni. After the matter was settled, there was a unanimous course: Stay, but stop playing the lone wolf.

They, like the general, are "used to obeying silently." For 1 entire year there was never a moment of truce. They were ready to attack anywhere in Italy as soon as anyone whispered the celebrated theme "I am a political prisoner." "The monks are coming," was the derisive comment for 365 days by their colleagues when they burst into the barracks or into the commissioners' offices short of breath, hundreds of kilometers behind them, always hunting for files, reports, or tapes of information obtained by wiretapping.

Yet, when on 8 September Prime Minister Francesco Cossiga indefinitely reconfirmed General Carlo Alberto Dalla Chiesa in his assignment as coordinator of the fight against terrorism, more than one man in the attack battalion of 200 men, including Carabinieri, policemen and finance guards was no longer able to remain silent. "We cannot again do things as they were done in the past," they told some top officers of the Carabinieri, the police, and finance guards. "We agree that the fight against an armed party does not permit a moment of rest, but let's not make a hell out of our lives."

Dalla Chiesa probably had attributed the protests, the grumbling, the attacks, to his reconfirmation. He knew that "those in the (interior) ministry" had it in for him, either through jealousy or for other reasons. He had for some time learned about a comment circulated by a high official of the Viminale: "If I were in his place I would decline the reconfirmation. It is a shame for a division-level general like him to command a mere battalion." He had also foreseen the opposition to his reconfirmation by his rival colleagues, the other Carabinieri generals. Nor had he been greatly worried by the rumors of a creeping protest among some officers of the Milan Division, after it became known that he had chosen that city as the location of his next command, before the great leap, in 1981, at Rome to the post of deputy commanding general of the Carabinieri. But Dalla Chiesa really did not expect that contestation from within. And it irritated him more than all the others.

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Secret Services.

However, that protest is the most evident symptom of a method of work that seems to have seen its time, and that from now on needs the active cooperation and coordinated support of all those who are involved in public order. A high official of the Interior Ministry maintains, "Dalla Chiesa should increasingly be less the lone wolf and more the point of reference for the struggle against terrorism, precisely as stated in the decree of nomination." In substance, the general and his unit should increasingly be less "special" and tied mare to other institutional units: The secret services, the peripheral Carabinieri commands and the police.

Now there is quiet, after the rumors that from time to time put Dalla Chiesa first in the seat of the CESIS Secretary General (replacing Walter Pelosi), then in that of head of SISDE [Intelligence Service for Democratic Security] (the civil secret service headed by Giulio Grassini) and even that of deputy to Giuseppe Santovito, at the head of SISMI [Intelligence Service for Military Security], the military secret service. "Dalla Chiesa is a man of action, he is not a bureaucrat like Pelosi, he is not a sly cat like Santovito, nor is he an embroiderer of plots like Grassini. He is impulsive, emotional, while the world of intelligence needs prudent people who do not chase immediate success."

Even if there are still those who protest because they would like to insert into the SISDE many of the Dalla Chiesa men, true technicians of antiterrorism, officials of SISDE are sure that the reconfirmation of Dalla Chiesa all told does not create problems. Rather, in the final phase of espionage operations, that of the arrests, Dalla Chiesa has already demonstrated he measures up to his fame. It happened, for example, last spring with the capture of some members of the Genoa column of the RB, followed for some time by Grassini's 007's and then, at the moment of capture, turned over to Dalla Chiesa's men.

Carabinieri.

"Dalla Chiesa's special unit integrates well with our peripheral offices."
This is the official comment heard at the general staff office of the Carabinieri, in Viale Romania, in Rome. There, in rebuttal to those who say that it perhaps would be better if the three anticrime forces placed at his disposal were to reenter into the normal institutional channels, the commands of the three divisions of Milan, Rome and Naples, the answer is that "without a leader like Dalla Chiesa those men would no longer produce as much once they return to routine duties."

But behind this appearance of unconditional support for Dalla Chiesa there is a reality full of contrasts. Pietro Corsini, commanding general of the Carabinieri, was the first to oppose reconfirmation of Dalla Chiesa. And when Interior Minister Virginio Rognoni, at the end of June, said that the mandate would undoubtedly be renewed, Corsini sent him a letter that sounded like a warning to avoid interfering in the internal affairs of the Carabinieri:

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Protests against the peremptory way the general appropriated the successes achieved by peripheral commands. This happened last October with an operation which led to the discovery of the Milan hideaway in Via Montenevoso (the capture of Nadia Mantovani, Francesco Bonisoli and Lauro Azzolini), and was repeated in July at Vescovio, in the province of Rieti.

Corsini could not even resist compiling the complaints by other Carabinieri generals. The last in order of time was that of the commander of the Rome division Carlo Terenziani, who was sent to Sardinia following the wave of kidnappings at the end of August, who was mentioned together with Dalla Chiesa in the Interior Ministry's official communiques even though the latter happened to be on the island by chance.

Police.

The most ferocious criticisms against the supergeneral are picked up in the 95 police headquarters throughout Italy, in the corridors of the Viminale. "He is always in habit of going it alone without telling us. He goes so far as to steal our successes. Often he even places obstacles in our path," say various officials. The frictions between the men under DIGOS [Directorate for General Investigations and Special Operations] and those headed by Dalla Chiesa were at times noisy. They went so far that on 8 August, the Ancona DIGOS arrested one of Dalla Chiesa's non-commissioned officers who was trying to infiltrate the Red Brigade column in the Marche. In Tuscany, Dalla Chiesa's Carabinieri and Florence police worked without knowing what the other was doing as they searched for the first line Tuscany assault group.

"Nothing has changed since 1974 when Emilio Santillo's SDS on the one hand and the Dalla Chiesa's special unit at Turin were hunting down the RB without any agreement between them," recalls a Viminale official. How can UCIGOS, the Interior Ministry's center for coordination of DIGOS activities coexist with Dalla Chiesa's special unit?"

The idea gaining ground, that is supported even by Cossiga, is that the chief of police, Rinaldo Coronas, should mediate between the two organizations.

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COUNTRY SECTION

SPAIN

MAGAZINE REPORTS ON RESULTS OF PSOE CONGRESS

Madrid CAMBIO 16 in Spanish 14 Oct 79 pp 28-31

[Article: "PSOE Is Now An Alternative"]

[Text] The few hundred persons who filled the room at the Melia Castilla Hotel on 27 and 28 September might have been taken by any uninformed observer for a convention of peaceful bible salesmen. However, this was the special congress of the PSOE [Spanish Socialist Workers Party], which prepared the political document and elected the executive committee awaited after the stormy 28th Congress, held last May, at which, following the attack of the so-called "radicals," the "marvel" of Felipe Gonzalez and his followers occurred.

The angry voices and clenched fists, like a mural of socialist realism, and the delirium of an anarchist-like assembly, which at one point marked the 28th Congress, were exchanged at this one for a relaxed, calm, untense and fraternal meeting.

Throughout the past 4 months, Guerra and his adherents set up behind the scenes a heavy network of orchestrated alliances, pacts and action which led to the overwhelming result for the critics (7 percent of the votes for Luis Gomez Llorente's candidacy for the general secretariat) and the sweeping victory of Felipe Gonzalez (86 percent of the votes).

A few days prior to the convening of the special congress, a government minister told CAMBIO 16: "Felipe and Guerra will win overwhelmingly. A congress with a little over 1,000 delegates (28 percent) is not the same as this one, in which 80 delegates will vote."

The minister mentioned the change in statutes made at the 28th Congress, attended only by delegations representing federation at which only the head of the delegation voted. This, combined with the process of a mature, responsible debate which has aroused the party throughout the entire crisis, and the old spirit of brotherhood that has marked socialism over a century, have made the miracle possible.

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The last act in the socialist drama has had a happy ending at its special congress; and, in addition, with its unanimous success among the critics and the public, the PSOE is now an alternative. Jose Manuel Arija and Jose Luis Gutierrez, of CAMBIO 16, were there.

Change in Decor

The papier-mache towers and parapets covered the grand salon of the Melia Castilla Hotel in Madrid, while nearly 1,000 tourists sliced their cutlets at the mediaeval banquet held by the hotel on the evening of 27 September.

The next morning, in the same room, the party's awaited special congress was to begin, which would settle the differences between "critics" and "Felipists," with those of Alonso Puerta's "third path" in the middle.

At the same time, almost simultaneously with the change in decor, in the office of the socialist attorney, Leopoldo Torres, on Madrazo Street, the final meeting of a group of party leaders who had gathered quietly and repeatedly during the past 4 months, was taking place. It was attended by Alfonso Guerra and Felipe Gonzalez.

The previous meetings had been held at the residence of a member, in Majadahonda, on the outskirts of Madrid. At the meeting of Felipists (it was theirs) in Leopoldo Torres' office, the final touches were put on the strategic device arranged months earlier to prevent succumbing to the improvisations and risks of the 28th Congress.

One of the attendees told CAMBIO 16: "We could not make the same mistakes twice. The 28th Congress forced many of us to make a harsh self-criticism, including Alfonso Guerra, who had to admit his mistakes in organization."

The key features of the strategy to be followed could be summarized as maintaining a basic infrastructure from the previous executive group, with unchallengeable names: Felipe, Guerra and Carmen Garcia Bloisey; and, finally, conquering slight opposition, Enrique Mugica. The inclusion of Javier Solana was to come later.

CAMBIO 16 learned that, before the irresistible rise of Alonso Puerta and his "municipalists" of the third path, Alonso Puerto had attempted an agreement with Felipe. The agreement proposed by Puerta consisted of a plan whereby, when 60 percent of the vote was won in Madrid, the rest would be left for the Felipist sector, and the "radical" sector could guarantee the exclusion of the radicals (Bustelo and Llorente) in exchange for securing the candidacy of the secretary of municipal action in the executive group, and the exclusion of Javier Solana. The proposal was refused by Felipe, and Javier Solana was included among the "untouchables."

Another decision made by the group (as CAMBIO 16 was told by one of the members of the group consisting of about 30 individuals) was to put an end to "cronyism," for which purpose it was decided to include persons who had not

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been included in either of the two sectors (Felipists or radicals), and not even in the third path group. They were independents, with prestige in various areas (Ciriaco de Vicente, Maria Izquierdo or Alonso), and individuals with intellectual influence, such as the professors, Maravall and Sotelo. In addition, two or three members of the former PSP [People's Socialist Party] of Tierno (Bofil and Fuejo) were included. With regard to the "old professor," it was decided not to propose the honorary presidency unless a debate should crop up at the congress.

Broken Strategy

The congress opened on Friday, 28 September. And the composition of the chair was the first test of strength. Whereas, at the 28th Congress, the critics succeeded in imposing their chairman and members, on this occasion they were unable to seat a single one of their representatives. The opening of the debate resulting from the preparation of the political report brought about an agreement to divide the documents into three parts, the party's ideology, strategy and model, which would be assigned to three committees.

The Felipist group managed to break Alonso Puerta's strategy for choosing three reports for discussion (one moderate, another radical and that of the "third path"), offering in exchange the thesis of the "new party majority," with nine reports to be discussed, a summary of the 36 that were submitted.

The work done on the three committees proved exhausting. The strategy committee appointed a five-member subcommittee which prepared a 13-page summary of the documents submitted by Andalusia (Seville), Barcelona, Murcia and Madrid.

This magazine was told by Ciriaco de Vicente, one of the reporters of the strategy group, "The most outstanding feature was the atmosphere of complete easing of tensions and relaxation, which contrasted sharply with the nerve-wracking climate of the 28th Congress. I think that the composition of the delegates contributed to this: they were more middle-aged, with longer standing in the party's ranks, and there was a larger number of cadres (mayors, councilmen and members of Parliament) with a lofty sense of responsibility."

Another aspect which caused surprise was the lack of hostility on the part of the so-called "radicals." At the beginning of the congress, one of them, Pablo Castellano, addressed the assembly to ask forgiveness, publicly, if he had offended any of his comrades, specifically the Basque, Iparraguirre, with whom he had had a harsh confrontation in the press a few weeks earlier.

Tierno's absence was not noticed. One of the delegates told CAMBIO 16:
"Tierno has been the great loser. It did not even occur to anyone to name him. I don't think that even Tierno believes in his speech. That drawing room leftism is a real joke. Tierno is in the party's right wing, which is where he gets his votes. And, if not, look at his activity in the municipality of Madrid."

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Revelation at the Congress

However, everyone is in agreement that the great revelation at the congress was the Catalonian, "Raimon" Obiols (see inset), the material author of the report from Barcelona that, in turn, was the backbone for the final one approved by the assembly.

Another more anticipated and major speech was that of Alfonso Guerra, which was delivered at the beginning of the defense of the various reports.

Guerra (who concluded with the appealing couplet about Pavia's horse, with Suarez riding on the croup) made very clear in his speech one of the key points brought up at the congress: democracy and its institutions as a means of achieving "something else," or as an end in themselves.

The PSOE's number two man stated: "There is a temptation to replace one party with another: on the one hand, the Social Democratic temptation; and, on the other, that of the state counter-model. There are those who have the Communist temptation in a Socialist Party. Neither Social Democratization nor Communization, but the party as an instrument for changing the rank and file of the society through democratic, representative methods."

The great issue, the great unknown quantity which triggered the entire proliferating effect of the thunder, Marxism, had a solution very close to the former one proposed by Felipe. According to the political document that was approved, the party describes itself as a "democratic, federal, class party of masses."

Executive Committee: Corridors

The proposals for executive committee members caused "suspense" until the end, although Felipe's victory was considered inevitable. Txiki Benegas was not in the initial group, but a protest from the Basques (who regard him as the only person with a certain amount of popularity on the street and the only valid spokesman for the "Abertzales") forced him as a member.

As for the Valencians and their controversial internal situation, they left Antonio Sotillos, who was almost a certain candidate, out.

Nicolas Redondo and several members of the UGT [General Union of Workers] left the room in mid-afternoon on Saturday, to decide among themselves on their "trade union secretary," a decision that was made by a majority in favor of Joaquin Almunia.

The secretariat of culture was left up in the air until the last minute. The first candidate was Pedro Atares, former head of "Notes for the Dialog," but he repeatedly refused the offers from Felipe and Guerra. His place was taken by Ignacio Sotelo, a professor at the Free University of Berlin. As for the critics (whom the congress began calling "the citrus," since most

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of their backing came from Valencia and its districts) submitted their slate with Gomez Llorente as secretary general.

Joan Garces, a former political adviser to President Allende and a member of this slate of candidates, remarked: "Approximately 40 percent of the party is with the critical sector."

The voting, behind closed doors, by the 86 federation heads entitled to vote was to reveal Garces excessive optimism. The moderates' success exceeded all predictions. Felipe received 86 percent of the vote, the absentions amounted to 7 percent and there was another 7 percent for Luis Gamez Llorente.

Many noticed the absence of an economist such as Enrique Baron from the Felipist executive committee, or perhaps Lluch or Boyer. Baron told CAMBIO 16: "I still have the original sin of my origin (the USO [Workers Trade Union]), and so, perhaps, some may focus more on my past than on my current political positions."

The applause was noisy, but not strident, from delegates and an invited audience not at all inclined toward disruption.

Felipe Speaks

After the appointments, the chairman, Jose Sanchez Cobos, delivered a beautiful speech, followed by a lengthy trade union address by Nicolas Redondo, and the awaited speech by the new secretary general, Felipe Gonzalez.

For nearly an hour, the secretary general gave a speech which was described by many observers (including the Portuguese Soares) as that of a "statesman."

Democracy, terrorism, the military, the citizens' insecurity, trade unionism, violence, the municipal pacts and the party's crisis were all covered by Gonzalez' lens. He mentioned the Swedish Social Democrats when it was time to discuss the party of cadres and masses.

He said: "The Swedish comrades mobilize 2 million of the 8 million people in the country. On the day that the PSOE can mobilize 2 million Spaniards, we shall be a great party."

At the end of the congress, the general impression was one of relief. The thesis to the effect that, among Socialists, there are "neither winners nor losers" was underwritten both by Felipe and Castellanos and Gomez Llorente.

The critics, for their part, added their satisfaction at having avoided what they described as a "Bad Godesberg," the Social Democratization of the party.

Sociologist Juan Linz, who attended the congress, told CAMBIO 16: "It is an executive committee of great intellectual caliber, especially with two individuals like Sotelo and Maravall. Furthermore, it is homogeneous, and hence will be able to put the Socialist Party in action, just what it needs."

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Enrique Mugica, who mounted the platform waving his hand like the king, had to rise, amid great laughter, and close his fist at the demand of the assembly, which requested it with shouts. At the conclusion of the closing ceremony, he commented with a smile, "Finally, we non-Marxists are legal...."

The Ideology, the Politics and the Party

The special congress of the PSOE was convoked to discuss the policy line and to elect its executive committee. The policy line that was approved is divided into three parts: ideological principles, political strategy and objectives and the party's model.

Ideological Principles

The PSOE describes itself as a "federal, democratic, class party of masses," which accepts Marxism "as a theoretical, critical and non-dogmatic instrument...with complete respect for personal beliefs."

The PSOE calls for "a total, complete alternative to the capitalist society," by means of a "slow revolution of the society" in three directions: "in the politico-institutional area, in the economic area and in the realm of the civil society."

Political Strategy and Objectives

Its priority task will consist of "the alliance of all the popular forces," leading to a "class bloc," which will be "the protagonist in the process of the construction of socialism."

According to the Socialists, the Constitution of 1978 "has restored full sovereignty to the people," and will have "a complete progressive development when the Socialists come to power."

Therefore, it is necessary "to win the political power democratically," so as to arrive, "on the basis of the formation of a parliamentary majority, at the government of the state."

After explaining how democracy must be intensified, what the social essence of its strategy is and how to defend the interests of the workers, the PSOE declares that, "except in cases involving strict survival," for the "defense of the democratic framework," it will not agree to share the power, thus avoiding a "subordinate shared responsibility."

It flatly condemns terrorism, and explains the autonomous, municipal and economic policy, as well as others.

The Party's Model

The PSOE organization is defined as "a party for change and democracy," simultaneously "of class and masses," with functions "of struggle and

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government." It will be based on a system marked by "an autonomous arrangement and a federal concept," founded upon three basic internal supports: "information, training and active participation."

Its main force is claimed to be the debate among its members, and it states that, "freedom of speech must be absolute, on all of the party's levels."

Executive Committee of the PSOE

	utive Committee osition	Age	Date of entry in PSOE	Former Affiliation	•
Ramon Rubial	chairman	73	1921	-	lathe Senator from operator Biscay
Felipe Gonzalez	secretary general	37	1964	-	labor Deputy from attorney Madrid
Alfonso Guerra	vice-secretary general	39	1964	-	degree in Deputy from philosophy, Madrid engineer- technician
Carmen Garcia Bloise	secretary of organization	42	1957	-	commercial Deputy from technician Madrid
Emilio Alonso Sarmiento	secretary of administration	37	1974	-	economist Deputy from Baleares
Jose Maria Maravall	secretary of training	37	1974	FLP*	university - professor
Javier Solana	secretary of studies and programs	37	1964	-	university Deputy from professor Madrid
Ciriaco de Vicente	secretary of sectorial policy	43	1974	-	work Deputy from inspector Murcia
Guillermo Galeote	secretary of press and propaganda	38	1965	-	physician Deputy from Cordoba
Luis Fajardo	secretary of municipal policy	33	1974	-	university Deputy from professor Tenerife

^{*}People's Liberation Front

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	Name E	xecutive Committee Position	Age	Date of Entry in PSOE	Former Affiliation	Occupation	Parliament Status
	Enrique Mugica	secretary of political relations	47	1963	PCE*	lawyer	Deputy from Guipuzcoa
	Juan Antonio Barragan	secretary of youth relations	28	1972	-	economist	Deputy from Santander
-	Maria Izquierd	o secretary of autonomous policy	33	1973	-	university professor	
	Joaquin Almuni	a secretary of trade union policy	31	1974	-	economist	Deputy from Madrid
	Francisco Lope del Real	z secretary of emigration	66	1930	-	engineer- technician	<u>-</u>
-	Ignacio Sotelo	secretary of culture	43	- .	-	university professor	· _
	Carlos Cigarra	n member	38	1974	-	SEAT metal lurgist	- Deputy from Barcelona
	Gregorio Peces Barba	- member	41	1972	ID**	university professor	Deputy from Valladolid
•	Jose F. de Carvajal	member	49	1954	,-	lawyer	-
ı	Donato Fuejo	member	35	1978	PSP***	physician	Deputy from Madrid
	Jose Maria Obiols	member	39	1978	MSC***	degree in science	Deputy from Barcelona
_	Pedro Bofill	member	33	1978	PSP***	university professor	

^{*} Communist Party of Spain

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^{**} Democratic Left

^{***} People's Socialist Party

**** Catalan Socialist Movement

Name	Executive Committee Position	Áge	Date of Entry in PSOE	Former Affilia	-	Parliament Status
Txiqui Benegas	member	31	1972	-	lawyer	Deputy from Biscay
Jose Angel Villa	member	35	1970	-	miner	-

Obiols: Head and Judgement

Jose Maria Obiols arrived at the PSOE's special congress leaving in Barcelona a dissatisfied and divided Socialist rank and file. His selection as head of the delegation was widely challenged by the UGT sector of Catalonia. When the congress ended, Obiols returned to his territory as the most voted for member of the secretariat, surpassing even Felipe Gonzalez.

Obiols told CAMBIO 16: "The political resolution itself has accepted the Catalonian proposal regarding the trade union issue. It mentions maximum support from the party for the UGT, autonomy for both organizations and fraternal relations; and it reaffirms the fact that both the party and the UGT are two essential organic parts of the Socialist plan."

Obiols, better known by his name from clandestine times, "Raimon," made a good impression on the other delegates, and proved to be one of the revelations from the congress. Some of his comrades in preparing the report expressed the view: "He has two important qualities: a good head and proper judgment."

In fact, the Catalonion contribution to working documents for the congress was one the the greatest. Obiols claims: "It was a constructive contribution in the sense that it fostered virtually unanimous accord. It thereby prevented both a shift to the right and a leftist pseudo-solution, based more on the emphatic affirmation of major principles than on real proposals."

He is now 39 years old, is married and has three daughters. But, at the age of 17, the individual nicknamed "Raimon" was already a militant in the active anti-Franco movement of the illegal organizations. He was first affiliated with the Catalan Socialist Movement, and later with Socialist Convergence. Now, in the PSOE, he maintains an independence position between the Felipists and the critics. He says: "The critics are absent from the executive committee for respectable reasons, and it by no means indicates that this sector does not represent an effective position within the party, one that perhaps exceeds what the results of the congress might lead one to believe."

According to Obiols, "Luis Gomez Llorente's statements, giving the new executive committee a margin of confidence, seemed very constructive to me; and I think that they contributed to the conviction that a creative debate could be held in the PSOE, the starting point for which would be the political resolution and its practical application."

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The Catalonians went to the congress with the intention of creating a "workers front," and it was accepted there, although the name was changed to "class bloc." According to Obiols, "The concept of a class bloc implies an historical perspective on the democratic progress toward socialism. It does not impose conditions on the autonomy of the socialist plan, but rather lends it force and helps to guide it toward an objective involving social transformation."

Does it entail an alliance with the rest of the left? He replies: "It by no means implies a policy of predetermined alliances. In this connection, I believe that the strength of Spanish socialism lies in its political independence, and it has been inoculated against temptations of a front-oriented type, as well as against attempts to evolve toward the socialism of management that is subordinate, on the government level, to the forces of the bourgeoisie."

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COUNTRY SECTION

SPAIN

COMMENTARY LOOKS AT POST-CONGRESS PSOE

Madrid CAMBIO 16 in Spanish 14 Oct 79 p 21

[Article by Jose Oneto: "The New PSOE"]

[Text] From an analysis of the special congress held last week in Madrid, one infers that the Spanish Socialist Workers Party [PSOE], the leading political force of the opposition, is heading toward moderation and similarity to the other European Socialist forces.

The PSOE which, in 5 years, has multiplied the number of its members by 50, and which has come to control nearly 30 percent of the nation's votes, has embarked on a slow path toward political maturity that, according to all predictions, will cause it to become the great left-center alternative in the country within a few years.

For this long march, the party founded by Pablo Iglesias a century ago has ceased to be Marxist. It has changed from a federal, democratic, Marxist party of class and masses, with a high degree of "self-management," "revolutionism" and "internationalism" to a party receptive to new social groups, which accepts Marxism only "as a theoretical, critical and non-dogmatic instrument for the analysis and transformation of the social reality, adopting the Marxist and non-Marxist contributions which have helped to make socialism the great emancipating alternative of our time, with complete respect for personal beliefs."

This great battle, won by the secretary general, Felipe Gonzalez, a man who neither considers himself a Marxist nor believes that Marxism can solve the concrete problems confronting this country, is also the guarantee of continuity in a party consisting of the adherents of Christian humanism, social democracy and other political movements who have come to the PSOE rejecting other options for political participation.

The special congress of the PSOE is a victory for Felipe Gonzalez and his group, a group which managed to replace the traditional party led by Rodolfo Llopis in 1974, which proved capable of assimilating the other internal socialist options and which, at just the right time, succeeded in

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dispensing with those who, though friends and comrades of the secretary general, might have represented the very "cronyism" that has been a burden to the party.

And, most of all, it is a victory for the one who really commands in the party, the one who controls the apparatus, and the one who is there only to back Felipe Gonzalez: the Sevillian Alfonso Guerra; the one who has worked for months to make the congress an authentic triumphal occasion, and so that the losers would not consider themselves so much as losers.

The new executive group is valid for the 2 years that it will govern the party. It is the candidacy of Alfonso Guerra and also, in some nominations, the candidacy of Javier Solana which, though they are missing from the first approximate tickets, have become a key factor in the new socialist "staff." With but few from the area of labor, and with a great many figures which are also in Parliament, monopolized by intellectuals, the PSOE's new executive group is also a reflection of the dearth of authentic leaders in the world of Spanish politics.

Perhaps the most noticeable thing is the absence of a secretariat responsible for the economy, at a time when the economy is precisely the cause of many of the problems of the still fragile Spanish democracy.

It is not responsible to deal with the government's economic program without having devised an alternative to the crisis, nor is it responsible not to have found space for the creation of a secretariat of economic policy among the 13 secretariats that the present executive group has.

Moreover, after the pact with the communists which brought about the left's great victory in the town halls of Spain, the new PSOE is now heading toward a loosening of ties with the Communist Party.

Despite Santiago Carrillo's recent appeal for the consolidation of a "strategy of the left," which would respond to the serious problems of the times in Spain, there is every indication that the gap between socialists and communists, and between their respective trade unions, the General Union of Workers and the Workers Committees, will continue, and that the municipal pact of April will tend to deteriorate.

In view of the inevitable shift to the right of the UCD [Democratic Center Union] and the strategic radicalization of the Communist Party, the PSOE now has a clearcut path: that of the responsible opposition; and, after its congress, far more.

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COUNTRY SECTION

SPAIN

INI CONTINUES TO DRAIN PUBLIC TREASURY

Madrid CAMBIO 16 in Spanish 30 Sep 79 pp 32, 33, 35

[Text] The INI [National Institute of Industry], which will cost every Spaniard 1,430 pesetas in 1979, will invest over 200 million next year without creating a single job. And nearly three quarters of that amount are earmarked to maintain its current employment, involving some 244,000 privileged workers who earn salaries as few others do, with the security of civil servants.

However, the National Institute of Industry (130 controlled firms with over 230 million in capital stock) has had a history of 43 years with an almost exemplary balance. For every 6 pesetas that the state has given the INI since its founding, the latter has created wealth amounting to 100: 1.6 billion pesetas in all, as compared with the 72.4 million represented by the contribution from the treasury.

The drain that these assets entail at present is another story. But the INI has cost the state and the Spanish taxpayer less than the private companies established in the Lopez Rodo development poles.

This year, the INI anticipates losses of 64 million pesetas, although the business firms which lose will add a deficit in excess of 80 million. Four of them, HUNOSA [National Northern Coal Enterprise], Spanish Shipyards, ENSIDESA [National Iron and Steel Enterprise, Inc] and ENASA [National Truck Enterprise], with 80,500 workers, will be losing over half that amount.

In view of this information, one might wonder whether the INI is playing the role of a genuine public enterprise. "Definitely, yes," CAMBIO 16 was told by 16 high-ranking board members of the Institute. They added: "But not overlooking the fact that it operates as a competitive public enterprise, and is an instrument of the industrial policy."

Good-bye To the Job At Any Cost

This is where its president, Jose Miguel de la Rica, finds the limitations of the INI, which "has been put into a 'bind' that prevents it from making decisions which are usually common sense."

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De la Rica, who is of the opinion that the concept of public enterprise as a "subsidiary of private enterprise" is irrelevant, advocates competition between public and private enterprise wherein the economic goals take precidence over the political and even the social ones. In other words, the reduction in force and closing of enterprises have been declared and announced.

The message has already materialized in certain sectors, such as the ship-building, wherein the president of INI considers the unemployment of 7,000 workers to be necessary, "for whom an alternative activity will have to be sought;" and in enterprises such as ENSIDESA, whose facilities in Mieres are being dismantled.

But, in other instances, such as HUNOSA, with losses of 18 million pesetas anticipated for this year, 3 million more than in 1978, the reduction in force or closing of a shaft would meet with the systematic opposition of the trade union federations and the workers. The fact is that, working in a public enterprise, with salaries that in many instances are far higher than those paid by private enterprise, gives one the status of a civil servant.

For all these reasons, one might wonder whether the INI is an office for financing unemployment, for unemployment insurance. "No,"was the immediate response from the Institute's board members queried by this magazine. "The INI includes firms which maintain employment, in the dynamic sense and according to the guidelines of the industrial policy, with a view toward the industrial reconversion that has already started." Hence, 132 million of the 203 million pesetas that the INI will invest during 1980 will be allocated to maintain the present employment.

Of the total investment, 49 percent will go to the energy sector, while the food, chemicals and engineering, computer and electronic sectors will benefit least, with 3 percent apiece. The criteria cited by the Ministry of Industry for justifying the investments in the energy sector are: maintenance of basic services, energy independence and income return.

The Spanish taxpayer will pay the cost of a quarter of the investment, amounting to about 1,500 pesetas per capita, a sum which (according to the INI board members) is insufficient to fulfill the objectives that have been assigned to the Institute. For this reason, it may be expected that the state's contribution will be increased, so that the INI may make up for this shortage.

In financial terms, this figure totals 150 million pesetas, and the state will have to pay it ("there is no other alternative," according to De la Rica) so as to convert and give security to the INI group's financial structure.

And what does the taxpayer receive in return for his contribution? Among other things, the creation of wealth by way of investments (a third of the

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nation's total industrial investment), the maintenance and promotion of employment, reduced price rates, a supply of vital raw materials for the country (such as coal), a guarantee of essential services (such as Iberia), regional development, the substitution of imports, and the assimilation and creation of technology.

But private enterprise could also undertake part of these services, and in fact it is. From this standpoint, is the INI an element for deterring or fostering private industry? The Institute's board members questioned by CAMBIO 16 explain that, on the national level, the INI is a promotional element, but in the specific instance of Asturias quite the contrary holds true.

What private industry could become established in Asturias, absorb the surplus labor from HUNOSA and ENSIDESA, and pay them its current wage of between 60,000 and 75,000 pesetas per month? None, under such wage conditions.

Taking the Scalpel

"And if heavy industry did not exist in Asturias, what other industry would become established in the region?" "Possibly the manufacturing industry, but Asturias would have a level of development similar to that of Andalusia," remark the INI's board members; and they state the feared diagnosis: "HUNOSA is the cancer of the INI."

But they have not allowed their president to take the scalpel. De la Rica claims that there must be a stop to having all of HUNOSA's losses subsidized, "because that runs counter to all the principles of efficient management." And he announces that a hard line will be taken in the negotiation of the next collective contracts for the enterprises in a state of crisis.

De la Rica, who voices a "mea culpa" for "having been too soft about wages," is aware of the fact that his harsh stance will cause him problems with the trade union federations. And the trade union federations are likewise aware that the president of the INI "may require a hard line in the negotiation of the collective contracts, but it will be softened in the government area," as this magazine was told by trade union sources.

What will the INI's future action be? According to its president, the Institute should intensify its presence in the energy sector, and increase its activity in engineering, electronics and computers and in the defense area. It should also increase its weight in the area of food, "as evidence and to counteract the multinationals, although I am aware of the difficulties that this would entail."

On the other hand, still according to De la Rica, the INI should give up the automotive sector (SEAT [Spanish Passenger Car Company, Inc] and ENASA), and most of the enterprises with a deficit that the government has forced it to protect. The latter group includes HUNOSA, Mediterranean Blast Furnaces,

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the Alvarez Group, J. Barreras Sons, UNINSA [expansion unknown], Tarazona Texuile and Soler Almirall.

These ideas are not expressly mentioned in the Plan of Activities, Investments and Financing that the INI has devised for 1980, based on the guidelines of the Ministry of Industry. But others are, indeed, included, which will indicate the Institute's future line of activity.

In a letter addressed to the president of the leading Spanish holding entity, the minister of industry, Carlos Bustelo, set forth the INI's short, medium and long-term horizon. During the period 1979-80, the INI will have to devote its efforts to clearing up the earnings statements. In 1980-81, the Institute's priority will have to be focused on the overall maintenance of employment in its enterprises; and, starting in 1981, thorough changes will be necessary, not only in the enterprises, but also in the composition of the INI's portfolio.

According to Carlos Bustelo, for the short-term reduction of the losses, the Institute must set for itself the goal, for 1980, not to close the fiscal year with worse results than those of this year. Therefore, the efforts will be concentrated on the enterprises with a maximum capacity for responding with a reduction in losses or an increase in profits.

In order to attain these goals, the minister of industry recommends to the president of the INI action on these three fronts: a capital formation plan, in which "the contributions which have been requested to offset the excessive burden of the financial costs appear to be warranted in general." Although the Institute's current financial costs are somewhat higher than in previous years, they now stand at 11 percent, a minimum of 5 points under the financial cost of the private enterprises.

The second front for action lies in the area of prices. Carlos Bustelo says: "The INI must make an in-depth revision in prices or rates, and strive to insure that the counterbalancing entries for services will not be so unrealistic that they eventually interfere with the viability of the group's enterprises."

The third column for attack is concentrated on an improvement in management, such as a grouping or merger of INI enterprises with others in the sector, both national and foreign, or the revamping and improvement of the administrative groups.

The medium-term plans are aimed at an overall maintenance of the present jobs, energy savings and the production of funds. And the long-term horizon features Spain's entry into the Common Market. In this connection, the minister of industry does not preclude the closing or sale of enterprises, or the abandoning of shares of unlimited and non-competitive stock.

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Dispense With the INI?

In view of this situation, could the Spanish economy dispense with the INI? Its board members reply, "No, because private enterprise does not have the capacity at present to make the long-term changes required to reconvert Spanish industry in preparation for Spain's entry into the European Economic Community."

The same sources state that, in some sectors, such as the shipbuilding or coal sectors, "Private enterprise would obviously not be active, and in others state aid channeled through the INI is needed, in view of the amounts and the risks entailed in the investments for their reconversion."

In any event, as a holding entity, the INI is a type of institution that has been developing in Western Europe, as in the case of the OIAG, in Asturias, the STATFORETAG, in Sweden, or the SNI, in Belgium, in addition to those which already exist in Italy or Great Britain.

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(2) PERSO	UNAL (3) VE	NTAS (4) RESUL	TADOS (5) invi	ERSION
(6) EMPRESA	1978	1979	1978	1979	1978	1979	1978	1979
Scat (7). Ensidesa (8). Horia (10). Astilleros Eso. (11). Bazán (13). Endesa (14). Endesa (14). Emperto (16).	. 19.100 . 13.500 . 11.800 . 5.400 . 5.700	32.000 26.200 25.000 23.400 19.100 13.500 11.800 6.200 5.700 3.200	95.000 98.000 81.600 14.700 41.900 26.700 28.000 17.000 13.800	129.000 58.000 (1) 95.000 1.600 (1) 49.000 23.400 32.000 31.000 187.000	10.300 12.000 800 14.900 8.100 2.800 5.200 1.100 1.500	5.000 6.700 3.000 18.000 1.800 6.000 1.700 1.700	6.600 8.800 6.900 3.100 3.500 3.200 24.000 7.000	15.000 8.000 13.500 3.000 (2) 6.000 4.000 1.200 17.500 7.400
1.7)Total		166.100	594.400	623.000	1.200 48.700	1.200	78.300	92.300

Key:

- 1. The Accounts of the Public Enterprises (in millions of pesetas)
- 2. Personnel
- 3. Sales
- 4. Profit and loss
- 5. Investment
- 6. Enterprise
- 7. SEAT [Spanish Passenger Car Company, Inc]
- 8. ENSIDESA [National Iron and Steel Enterprise, Inc]
- 9. IBERIA [Iberia Air Lines]
- 10. HUNOSA [National Northern Coal Enterprise]
- 11. Spanish Shipyards
- 12. Bazan
- 13. ENASA [National Truck Enterprise]
- 14. ENDESA [National Electric Power Enterprise, Inc]
- 15. EMPETROL [Petroleum Enterprise]
- 16. ENHER [Ribaborza National Hydroelectric Enterprise]
- 17. Total
- 18. First half
- 19. Programed

		(е	n millone	s de peseta	s)			
	(2) PERS	ONAL	(3) VE:	stas (4) RESUL	TADOS (5) INVI 	RSION
(6) SECTOR	1978	1979	1978	1979	1978	1979	1978	1979
Energia (1) (8) Transformación (8) Siderometalurgia	24.500). 97.000	23.000 97.000	320.000 233.000	350.000 285.000	3.700 29.000	6.000 33.000	73.000 12.000	88.000 30.000
Minería Aeronáutica y Serv	(9) _{63.200}	63.000	149.000	80.000 (2)	—37.000	32.000	16.000	13.000
cios	.0) _{33.000}	45.000	110.000	149.000	300	4.500	13.000	26.000
mica	.1) 8.900	9.000	30.000	47.000	2.000	300	3.600	7.200
nica e Informátic (12)	a. 4.200	4.300	6.300	5.000 (2)	7 0 0	200	1.000	1.400 (3)
[3)Total	230.800	241.300	848.300	916.000	-64,700	-64.000	118.600	165,600

Key:

- 1. Where the Public Money Goes (in millions of pesetas)
- 2. Personnel
- 3. Sales
- 4. Profit and loss
- 5. Investment
- 6. Sector7. Energy
- 8. Manufacturing
- 9. Iron and steel metallurgy-mining
- 10. Aeronautics and services
- 11. Food and chemicals
- 12. Engineering, electronics and computers 13. Total
- 14. Except Electric Union (UESA)
- 15. First half
- 16. Programed

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	(1) COMO SE VA A F EL INI EN (en millones de	1980	AR
(2) (3)	INVERSION DEVOLUCION DE CRE-	203.000	
(1)	DITOS	135.200	_
(4)	TOTAL	338.200	%
(5) (6) (7)	Aportación INI	62.500	18,5
3	Aportación Estado Autofinanciación de las	57.000	16,8
8)	empresas INI Autofinanciación accio-	20.300	6,2
9)	nistas privados	7.400	2,~
(4)	Recursos ajenos	191.000	56,5
.47	TOTAL	338,200	100

Key:

- 1. How INI Will Be Financed in 1980 (in millions of pesetas)
- 2. Investment
- 3. Returns on loans
- 4. Total
- 5. INI contribution
- 6. State contribution
- 7. Self-financing of the INI enterprises
- 8. Self-financing of private stockholders
- 9. Other funds

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COUNTRY SECTION

SPAIN

BRIEFS

INTEREST IN AIRCRAFT CARRIER--Both Argentina and Australia have already shown interest in the new domestically produced aircraft carrier, the P-O 1, whose keel was laid at the Bazan National Shipbuilding Enterprise in Ferrol del Caudillo. [Text] [Madrid CAMBIO 16 in Spanish 21 Oct 79 p 5]

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COUNTRY SECTION

UNITED KINGDOM

'FINANCIAL TIMES' AGAINST U.S. ARMS TO MOROCCO

LD250907 London THE FINANCIAL TIMES in English 25 Oct 79 p 26 LD

[Editorial: "Carter Backs a Friend"]

[Text] President Jimmy Carter's decision to ask Congress to supply arms to Morocco, which might alter the military balance in Western Sahara, could affect U.S. relations not just in the Maghreb, but also with Arab countries concerned about developments in the peace negotiations between Egypt and Israel.

The Reasons

The reasons for Mr Carter's decision are several and not without weight. But in the end they smack of short-term maneuvering.

The first reason starts at home. With SALT in mind, Mr Carter needs all the friends he can get to have the agreement with the Soviet Union passed by the Senate, and many senators are supporters of King Hassan of Morocco. At the same time, Mr Carter needs to offset the impression—certainly where the Middle East is concerned—that its foreign policy is indecisive and in disarray. To come down in King Hassan's favour is an attempt to dispel that.

Second, the U.S. after the fall of the Shah of Iran and of President Anastasio Somoza of Nicaragua feels obliged to demonstrate that it will not in future fail to provide support to its closest friends when in difficulty. In King Hassan's case, his most pressing problem is the increasingly costly war with the Algerian-backed Polisario guerrillas.

Third, Mr Carter feels an obligation to reward King Hassan for the sub rosa, but still important, role that Morocco has played in the past towards bringing the Arabs and Israel into contact.

The problem is that Mr Carter may well be backing a loser in this decision, and the implications of this could be far-reaching. First, most of the evidence points towards Morocco being involved in a protracted war which at best probably cannot be won, and which, at worst could, particularly after Mauritania's

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decision to make peace with Polisario, result in a defeat. And defeat in an issue so central to King Hassan's policies could endanger his regime.

Second, the U.S. has a 19-year-old arms agreement with Morocco which authorizes the use of U.S. arms within the country, but not beyond its internationally recognised borders. The provision of helicopters and reconnaissance aircraft could only be temptation to Morocco to violate this agreement (with implied U.S. approval).

Third, it will needlessly antagonise Algeria, which is arguably the most powerful and influential country in North Africa. The U.S. and Algeria over the years have built up a relationship based on mutual respect and interests. Algeria dislikes American policies towards the Third World and the Arab-Israeli conflict. But at the same time, it has decided not to make these a point of active contention in the interests of the massive and mutually-beneficial gas deals which have been concluded. The risk is that the U.S. by coming out so openly in Morocco's support, Algeria may feel impelled to make some economic decision on the basis of political judgments.

More Beneficial

Fourth, there is the question of Israel and the Palestinians. The U.S. argues that what happens in Western Sahara is an issue unrelated to the Arab-Israeli dispute. This may be true geographically, but there is also an underlying principle which most Arab states hold dear, namely, the right of dispossessed people to fight for and regain within certain boundaries a homeland. The U.S. by supporting Morocco, appears to be going against this principle. It could undermine the position of President Sadat of Egypt at the halfway stage in his bilateral negotiations with Israel over the future status of the Palestinians in the West Bank and Gaza Strip. It would probably have been more beneficial for the U.S. to have held on longer to a neutral position over the regional tensions of the Maghreb than to have taken sides unnecessarily.

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END